R537, Reimbursed Overhead on State and Local Government Contracts

R537-1 Purpose: To provide guidance for the charging and retention by institutions of overhead on research performed for agencies of state and local government.

R537-2 References

2.1 Utah Code 53B-2-106

2.2 Policy and Procedures R535, Accounting and Reporting of Reimbursed Overhead

R537-3 Policy

3.1 Overhead rate: The institutions of higher education shall charge, as partial reimbursement of costs incurred, a reasonable overhead rate on all contracts with state and local government agencies funded from non-federal sources, unless an overhead charge is expressly prohibited in the RFP issued by the state or local government agency.

3.2 Flow through federal funds: Funds received by state and local government agencies for federal grants on work contracted to the universities and colleges flow through to those institutions and are charged overhead at the institution’s usual overhead rate for federal contracts. It is recognized that the state or local government agency may decide to retain a portion of the federal funds as reimbursement for administrative functions performed by the agency.

3.3 Collections retained in special account: The overhead on all contracts with state and local government agencies funded from non-federal sources shall be retained by the institution and be accounted for as part of the institution’s report on reimbursed overhead.